

EXHIBIT 19

----- Forwarded message -----

From: **Damian Todaro** <damian@videoappmail.com>

Date: Wed, Mar 8, 2017 at 1:33PM

Subject: finally, i did this...

To: Robert Felt <robert@darkalleymail.com>

2 files, the agreement and the changes called out

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Specialized Managed Web Services for Online Entertainment

Video App, Inc.

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PGP Key ID: 0x6FCF412A

Key Server: <http://keyserver.pgp.com>

Fingerprint: D901 67B2 2F5C 833F AB15

A6D7 188A 0953 6FCF 412A

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DVDDistroContractChanges.pdf

93 KB



**VIDEOAPPERICVIDEOSDARKALLE
YDISTROagreement.pdf**



DVD Distro Contract Changes

Section 4

Original:

There are no back catalog releases covered in this contract. All DVDs will be new material which has never been previously release on DVD before.

Revised:

There is no previously released content covered in this contract, with the exception of Ericvideos.com. All DVDs will be material which has never been previously releases on DVD before.

Section 5

Original:

New Releases are defined as any title from the Supplier's "Eric Videos" line which has never before been released by the Supplier, Producer, or any other Distributor or Entity within the Territory. Supplier warrants that it understands that market value of the product is based on its "never before released" status, and that should Distributor discover that any New Releases are in fact mis-categorized, and have been previously released in the Territory, that Distributor may be forced to assign a new market-value to the product and not be able to sell at any agreed upon price points, should such a thing apply. Distributor shall take as a credit against royalties owed to supplier and credits any adjustments that must be made due to New Releases being incorrectly categorized as such. Furthermore, should Distributor incur any expenses, such as costs associated with returns and restocking, due to Suppliers incorrect categorization or characterization of New Releases, these will also be taken as a credit against royalties owed to Supplier.

Revised:

New Releases are defined as any title from the Supplier's "Eric Videos" line which has never before been released on DVD or any form of distribution, by the Supplier, Producer, or any other Distributor or Entity within the Territory, with the exception of producer's own website ericvideos.com. Supplier warrants that it understands that market value of the product is based on its "never before released" status, and that should Distributor discover that any New Releases are in fact mis-categorized, and have been previously released in the Territory, that Distributor may be forced to assign a new market-value to the product and not be able to sell at any agreed upon price points, should such a thing apply. Distributor shall take as a credit against royalties owed to supplier and credits any adjustments that must be made due to New Releases being incorrectly categorized as such. Furthermore, should Distributor incur any expenses, such as costs associated with returns and restocking, due to Suppliers incorrect categorization or characterization of New Releases, these will also be taken as a credit against royalties owed to Supplier.

Section 5A.

Original:

New releases shall contain a minimum of 5 “scenes” as defined above, and a minimum running time of 70 minutes per DVD.

Revised:

New releases shall contain a minimum of 4 “scenes” as defined above, and a minimum running time of 60 minutes per DVD.

Section 6

Original:

In connection with each Current Release and Future Release, Supplier shall provide Distributor either with “finished goods”, defined as completed product, packed for distribution in jewel boxes and shrink wrap, or with “assets,” defined as a DVD-r Master and high res artwork necessary for the Distributor to replicate the DVD’s itself.

Revised:

In connection with each Current Release and Future Release, Supplier shall provide Distributor either with “finished goods”, defined as completed product, packed for distribution in jewel boxes and shrink wrap, or with “assets,” defined as high-definition video files ready for DVD mastering and high res boxcover artwork necessary for the Distributor to master and replicate the DVD’s itself. Supplier will work with Distributor to optimize workflow by providing assets in the best possible formats.

**DARK ALLEY Distribution, LLC
4005 NE 6th Ave
Oakland Park, FL 33334**

International Wholesale DVD Distribution Agreement (“Agreement”)

1. Definitions:

a. “Distributor” shall mean Dark Alley Distribution, LLC, 4005 NE 6th Ave, Oakland Park FL 33334, United States.

b. “Supplier” shall mean Video App Inc., 228 Park Avenue South, Unit 40543, NY NY 10003, United States.

c. “Titles” shall mean all of Supplier’s video releases, including current, and back catalogue releases (as defined herein), in DVD format only.

d. “Territory” shall mean all of the world.

e. “Scene” shall mean a concurrent 10-30 minute subset of a Title that is typically one full sexual encounter ending with ejaculation.

2. General Agreement:

This Agreement constitutes a wholesale distribution arrangement between Distributor and Supplier. Supplier hereby grants to Distributor the exclusive right to distribute and otherwise market and/or exploit the Titles in the Territory, in DVD Home Video format, pursuant to the terms contained within this Agreement.

2a. Grant of rights from 3rd party Supplier.

Supplier is granting Distributor the rights to DVDs from the “Eric Videos” line (hereafter Producer). Supplier is not the producer of these titles but is the sole owner of the world wide distribution rights. By entering into this contract, Supplier warrants that it is the legal owner of the rights granted to Distributor in this contract, and that it has the legal authority to assign said rights to Supplier.

Supplier will provide distributor with a copy of executed contract between Supplier and Producer. Furthermore, Supplier warrants that Producer may not revoke the rights granted from Supplier to Distributor in this contract at any time during the term of this agreement.

3. Term:

The term of this Agreement shall be 2 years. Upon end of the term his contract will renew for another 2 year term unless cancelled within 90 days of the termination date by either party. Written notice is required for termination.

3a. Term extension for works once Manufactured.

As per details outlined below, Distributor will see to the Manufacturing of Suppliers product in runs of 500 to 700 units, at the discretion of Distributor. Once Distributor pays for manufactured goods, they become Distributors property indefinitely, able to be sold and traded by Distributor subject to rules and conditions of payment as outlined in this agreement. Once goods are manufactured, Supplier may not ever revoke the rights of Distributor to sell said goods. Supplier warrants that nothing in its agreements between Supplier and Producer will infringe upon Distributors rights outlined in this section. Furthermore, should Supplier ever lose the rights it assigns Distributor in this contact, manufactured goods remain the property of Distributor.

4. Back Catalogue Releases:

There is no previously released content covered in this contract, with the exception of Ericvideos.com. All DVDs will be material which has never been previously releases on DVD before.

5. New Releases:

New Releases are defined as any title from the Supplier's "Eric Videos" line which has never before been released on DVD or any form of distribution, by the Supplier, Producer, or any other Distributor or Entity within the Territory, with the exception of producer's own website ericvideos.com. Supplier warrants that it understands that market value of the product is based on its "never before released" status, and that should Distributor discover that any New Releases are in fact mis-categorized, and have been previously released in the Territory, that Distributor may be forced to assign a new market-value to the product and not be able to sell at any agreed upon price points, should such a thing apply. Distributor shall take as a credit against royalties owed to supplier and credits any adjustments that must be made due to New Releases being incorrectly categorized as such. Furthermore, should Distributor incur any expenses, such as costs associated with returns and restocking, due to Suppliers incorrect categorization or characterization of New Releases, these will also be taken as a credit against royalties owed to Supplier.

5a. Minimum running time of New Releases

New releases shall contain a minimum of 4 "scenes" as defined above, and a

minimum running time of 60 minutes per DVD.

5b Minimum number of new releases per month

Supplier will provide Distributor with a minimum of 2 New Releases per calendar month, no later than the 1st of the month.

6. Manufacturing and Distribution of New Releases:

In connection with each Current Release and Future Release, Supplier shall provide Distributor either with “finished goods”, defined as completed product, packed for distribution in jewel boxes and shrink wrap, or with “assets,” defined as high-definition video files ready for DVD mastering and high res boxcover artwork necessary for the Distributor to master and replicate the DVD’s itself. Supplier will work with Distributor to optimize workflow by providing assets in the best possible formats.

In the case of Finished Goods, Supplier shall ship 500 units to Distributor and shall bear freight and shipping charges at its own expense. Distributor will cover the costs of import taxes and duty for these shipments. In the case where Supplier provides Distributor with Assets, Distributor shall use such assets in order to Manufacture goods necessary for Distribution of said product. Distributor shall advance the costs of such replication but will hold Supplier’s share of these costs from subsequent payments to Supplier as detailed in Section 9 of this agreement.

6a. Reprints and additional manufacturing

Should Distributor sell out of the initial 500 to 700 units, it may elect to reprint or remanufacture additional units, but it is under no obligation to do so.

7. Design Of Packaging:

All cover art and disk art that constitutes the Packaging of New Releases will be designed by Supplier at Supplier’s expense. However, before commencement of manufacturing, Distributor shall approve all packaging to make sure that it conforms to necessary legal requirements for distribution within the Territory, including the use of a scanning bar code and 2257 Certificate of Compliance statements.

8. Additional Obligations Regarding Current Releases and Future Releases:

In connection with each Current Release and Future Release, Supplier shall also provide Distributor with a trailer for Title between one (1) minute and one (1) minute and fifty-nine (59) seconds long in an uncompressed “QuickTime” format (the “Trailer”). In the event Supplier fails to deliver to Distributor the Trailer for each Current Release within ten (10) days hereof or within thirty (30) days prior to Future Release’s scheduled

release, Distributor may create said Trailer and deduct from Supplier's compensation and payment the sum of Five Hundred Dollars (\$500) for each Trailer not delivered to Distributor as required herein.

In connection with each Current Release, Supplier shall provide to Distributor within ten (10) days hereof a minimum of 8 detailed images, aka "Action Shots" of the product content for Distributor to use in the marketing of each film. These images are to be Horizontal and are to depict accurately the content of the films. Supplier grants unlimited rights to Distributor and all of Distributor's customers to utilize these images however it sees fit in conjunction with the Distribution and Marketing of the Products, this includes distributing the images through any and all media formats. Should Supplier wish these images to be branded with Suppliers trademark, Supplier shall do so in a way that is unobtrusive to viewing of the images. Supplier grants this right to Distributor and all of Distributor's customers indefinitely, and in the even of Termination of this agreement if Supplier wishes to remove these images from any location where Distributor has placed them, including customer's websites, blogs, and any and all digital locations, Supplier shall undertake this effort itself and at its own expense.

9. Compensation and Payments:

Distributor shall pay to Supplier a royalty of **40%** of net sales, defined as Gross sales less shared expenses, as defined below, such that if gross sales for a month equals \$2,000 Dollars, and Qualifying Expenses equal \$550 dollars, then the net sales are \$2,000 – \$550 or \$1,450 dollars, equaling a royalty payment of \$590 dollars.

Distributor will provide a monthly sales report of all sales of Supplier's DVD's broken down by title and gross sales only, and shall have **60 days from close of the month** in which to make full payment to Supplier. Upon written request by Supplier, such request to be made not more than two (2) per calendar year, distributor will furnish to Supplier a more detailed accounting of Gross receipts for each Title detailing each sale and price per sale.

9a. Advance payment

Upon execution of this contract Distributor will pay Supplier \$2700 US Dollars Upon receipt of assets for the first 2 New Releases, Distributor will pay Supplier and additional \$2700 US dollars. The total \$5400 will be considered an advance against the first royalties owed to Supplier and Distributor will collect them as a credit on the first invoices, as necessary to recoup the full amount of the advance.

9b. Payment Method

Distributor will pay Supplier by ACH or paper check and will not charge a fee for this service. Should a wire transfer be necessary the cost for this is \$45.

10. Shared Expenses

Shared Expenses are costs incurred by Distributor for which Supplier owes a share. At time of this contract, qualifying distribution expenses are:

- **DVD MANUFACTURING:** 500 units at a cost of \$500 dollars, or 700 units at a cost of \$700. This price covers single-layer disks (also known as DVD-5), and all black cases. This price includes all shipping charges.

- **DUAL LAYER DVDS or COLORED CASES:** Should assets require the use of a dual Layer DVD (also known as a DVD-9), the Manufacturing costs will increase by \$150 for a run of 500 or \$200 for a run of 700.

At this time there are no other shared expenses.

Should these prices change Distributor will inform Supplier by email.

11. Minimum Guarantee of Sales

Distributor makes no minimum guarantee of sales.

12. Compilations

A Compilation DVD is defined as a Title where more than 30% of the total running time of Title is filled with scenes previously released by Supplier in any Territory. Nothing in this contract is to be interpreted as an obligation for Distributor to release any compilation DVD. Should Distributor choose to release a compilation DVD provided by Supplier then this contract shall govern said release.

13. Pricing of Titles:

Distributor shall negotiate in good faith with retail stores, secondary distributors and chain store ("Retailers") a pricing schedule for the Titles dependant on the quantity of Titles purchased by said Retailers. Presently, the projected wholesale distribution price for Current Releases and Future Releases is between Twelve (\$12) and Twenty Dollars (\$20) and the projected retailer distribution price for Current Releases and Future Releases is Forty Dollars (\$39.95).

13. Release Dates:

Distributor shall utilize commercially reasonable efforts to distribute all Current Releases

and Future Releases within thirty (30) to sixty (60) days from the receipt of the materials specified herein (the "Release Date"). At Distributor's election, the Release Date may be further delayed to allow for appropriate marketing and/or promotion of the Titles. Further, at Distributor's election, the Release Date may be delayed or otherwise modified to allow for simultaneous release throughout the Territory.

14. Delivery:

All Titles shall be delivered F.O.B. to Distributor's place of business.

16. Return of Stock:

In the event that Distributor must accept returned stock after the calculation of monthly revenue reports, Distributor may recoup the loss in future sales reports.

17. Governing Law, Jurisdiction, Venue:

This Agreement, the legal relations between the Parties and any action instituted by any Party with respect to matters arising under or growing out of or in connection with or in respect of this Agreement shall be governed by and construed in accordance with the laws of the State of Florida applicable to contracts made and performed in such State. Each Party to this Agreement, by its execution hereof, hereby irrevocably submits to the exclusive jurisdiction of the Federal and State courts located in the City and State of Florida for the purpose of any action arising out of or based upon this Agreement or relating to the subject matter hereof. In the event any party to this Agreement employs an attorney to enforce any of the terms of the Agreement, the prevailing party shall be entitled to recover its actual attorney's fees and costs, including any expert witness fees.

18. No Waiver of Breach:

If Distributor shall waive any breach of this Agreement by Supplier, it shall not be construed as a waiver of any subsequent breach. Distributor's rights hereunder shall be cumulative, and any rights hereunder may be exercised concurrently or consecutively and shall include all remedies even though not expressly referred to herein.

19. Contractual Limitation of Actions:

All claims, actions or proceedings against Distributor and its representatives must be commenced in court within one (1) year after the cause of action has accrued, without judicial extension of time, or said claim, action or proceeding is barred. The time period of this paragraph must be complied with strictly.

20. Integrated Agreement:

This Agreement constitutes the entire agreement between the parties hereto with respect to the transactions described herein and supersedes all prior or current negotiations, commitments, contracts, express or implied warranties, express or implied statements and representations, whether written or oral, pertaining thereto, all of which shall be deemed merged into this Agreement. Neither party has authority to make or claim any representation, term promise, condition, statement, warranty, or inducement (collectively “Inducement”) which is not expressed herein. Each party represents that they are not relying on any inducement in signing this Agreement which is not expressed herein.

21. Modifications:

Changes or amendments to this Agreement must be made in writing and signed by the parties to be binding on the parties.

22. Copyright:

Supplier represents and warrants to Distributor that: (i) the Titles do not and shall not infringe upon any United States copyright, trademark or other intellectual property right, propriety right, or right of privacy of any third party; and, (ii) the Titles are wholly original to Supplier. Supplier shall fully indemnify and hold harmless Distributor for any costs and expenses, including any and all attorneys’ fees, incurred in connection with a breach or claim of breach of the foregoing representation and warranty.

23. Assignment of Claims and Subrogation:

Supplier grants to Distributor the right to protect Supplier’s intellectual property in the Territory, including the right to commence legal proceedings to protect Supplier’s copyrights, trademarks, or other infringements thereof and fight piracy of Supplier’s Titles.

24. U.S.C. Title 2257:

Supplier represents to Distributor that it maintains all age verification records regarding all actors who perform sexually in all of the movies given to Distributor for Distribution in accordance with the record keeping requirements set forth in US Title 2257. Supplier will serve as its own Custodian of Records of this information as required by law.

Upon request, Supplier must furnish any and all age documentations as required by US Title 2257 to Distributor within 10 days of such a request. Refusal to do so shall be considered a material breach of this agreement.

25. Right to purchase Stock upon Termination

Upon legal termination of this agreement, Supplier will have the right to purchase any unsold product from Distributor for a cost of \$10 per unit. Should Supplier choose to

elect this option, no additional royalty will owed to Supplier for these sales.

26. Immediate Termination of Agreement

Without affecting any other rights that it may be entitled to, either party may give notice in writing to the other terminating this agreement immediately if the other party commits a material breach of any material term of this agreement and (if such breach is remediable) fails to remedy that breach within a period of two weeks of being notified to do so; or the other party repeatedly breaches any of the terms of this agreement in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to the terms of this agreement.

In the event of an immediate Termination Distributor may continue to sell already Manufactured goods.

DARK ALLEY Distribution, LLC

VIDEO APP INC

By: _____

(Robert Felt)
(President)

By: _____

(Damian Todaro)
(Director)